THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) No, Sir.

(b) Oil companies have reported that they have not received complaints of harassment of their officers by the District Administration.

(c) Oil Companies generally resolve their disputes with the District Administration officials about interpretation of any policy/guidelines at their own level or through State Level Coordinators. Therefore, Government does not propose to issue any circular to State Governments in this regard. State Governments have already been requested to extend all possible cooperation in development of retail distribution network by oil companies.

Non Abolition of Slab System of Commission on HSD.

425. SHRI GHUFRAN AZAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to the answer to Unstarred Questions 1974 and 2757 given in the Rajya Sabha on 16th December and 23rd December, 1998 respectively, and states:

(a) what are the reasons for not abolishing the slab system of commission on HSD to R.P.O. dealers in spite of recommendations of Directors marketing;

(b) how many reports have been submitted by this said committee and what are the details of these reports; and

(c) whether the present dealers commission for a site lone HSD retail outlet having sales of 80 kls per month is sufficient to meet handling loss, maintenance of toilet, air and telephone facilities salary and perquisites to staff, electricity, return of investments, LFR and remuneration to dealers, etc.?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) The Government had constituted a committee of oil PSUs for the purpose of revision in the Dealer's Commission. The report of the Committee was considered and the Government decided to abolish slab system of Commission on MS, LPG and HSD in phases. Accordingly, the slab system of commission on MS and LPG was abolished w.e.f. 6.11.1997. The main recommendations in the report of the Committee are given in the enclosed statement. (*see* below)

(c) Dealer's Commission takes into account the following elements:

(i) Return on investment;

(ii) Operating costs which includes expenses like salary and wages, electricity, insurance, repair and maintenance, telephone, uniforms, conveyance, depreciation, taxes/fees/ audit, rent, printing and stationery, consumables and shrinkage allowance where applicable.

(iii) Cost of working capital and stock loss.

Statement

Main recommendations for MS/HSD Dealers Commission

1. Abolition of existing slab system.

2. The proposed dealer commission rates as follows:

(a) *Commission for dealers at depot Town:*

(Rs./KL)

Product	Existing Commission		Proposed Commission
	Slab-I	Slab-II	
MS-87	389	239	409
MS-93	422	261	446
HSD	201	94	222

(b) *For Dealers at up-country locations (other than depot towns):*

An additional amount of Rs. 40/KL for MS and Rs. 16/KL for HSD towards cost of demand draft/banking charges.

(c) *Future Revisions*

Industry to be authorised to carry out revision in dealer commission rates on account of (1) Operation Cost & (2) Cost of finance and stock loss as per formula given by the Committee.

3. The entire dealer commission for depot towns as well as up country locations including DD charges, to be built in the selling price for respective locations.

4. Considering the appreciation in real estate prices and increased investment for upgradation increase in Licence fee recovery rates have been recommended.

5. *Addition of HSD to lone MS Retail Outlets:*

Addition of HSD to lone MS outlets would be permitted to individual oil companies based on commercial consideration which will lead to improvement in viability of existing lone MS Retail Outlets.

6. *Customer Service:*

Dealers to provide minimum basic facilities and services in respect of correct quality and quantity, free air and water, trained staff in uniforms, first-aid facility and clean toilets etc. The dealer to also ensure payment of minimum wages and all statutory benefits.

7. *Revision in Marketing Discipline Guidelines*

The Committee recommends suitable revisions in the Marketing Discipline Guidelines to ensure deterrent action in case of default.

R&D Equipment Imported by IOC

426. SHRI ANIL SHARMA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what are the details (including value) of (R&D) equipment imported by IOC during last three years;

(b) whether it is a fact that no customs duty is being paid by IOC on these equipments; and

(c) which of the equipments imported in last three years have not been put into regular use and the value thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) During the last three years i.e. 95-96, 96-97 and 97-98, IOC imported 197 items of R&D capital equipments, worth about Rs. 25 crores.

(b) No, Sir.

(c) All the equipments have been put into regular use.

Petrol Pumps on the National Highways of Gujarat

427. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of petrol pumps functioning on the National Highways as well as State Highways in the State of Gujarat, the criteria for opening and their allotment;

(b) whether these are sufficient to cater to the needs of consumers; and

(c) if not, whether Government are considering for opening additional petrol pumps?